

<i>SERFF Tracking Number:</i>	<i>BEAZ-125541529</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Beazley Insurance Company, Inc.</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>BICI0042-AR(R)</i>		
<i>TOI:</i>	<i>17.0 Other Liability - Claims Made/Occurrence</i>	<i>Sub-TOI:</i>	<i>17.0019 Professional Errors &amp; Omissions Liability</i>
<i>Product Name:</i>	<i>Lawyers Professional Liability Insurance Program</i>		
<i>Project Name/Number:</i>	<i>/BICI0042-AR(R)</i>		

## Filing at a Glance

Company: Beazley Insurance Company, Inc.		
Product Name: Lawyers Professional Liability Insurance Program	SERFF Tr Num: BEAZ-125541529	State: Arkansas
TOI: 17.0 Other Liability - Claims Made/Occurrence	SERFF Status: Closed	State Tr Num: EFT \$100
Sub-TOI: 17.0019 Professional Errors & Omissions Liability	Co Tr Num: BICI0042-AR(R)	State Status: Fees verified and received
Filing Type: Rate/Rule	Co Status:	Reviewer(s): Betty Montesi, Edith Roberts, Brittany Yielding
	Authors: Nancy Wilson, Renata Wright, Laura Maragnano, Evelyn Perran, Monique Herold, Camily Arjona	Disposition Date: 05/21/2008
	Date Submitted: 04/21/2008	Disposition Status: Filed
Effective Date Requested (New): On Approval		Effective Date (New):
Effective Date Requested (Renewal): On Approval		Effective Date (Renewal):
State Filing Description:		

## General Information

Project Name:	Status of Filing in Domicile: Pending
Project Number: BICI0042-AR(R)	Domicile Status Comments: filing is in process of being reviewed
Reference Organization: n/a	Reference Number: n/a
Reference Title: n/a	Advisory Org. Circular: n/a
Filing Status Changed: 05/21/2008	
State Status Changed: 05/21/2008	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	

SERFF Tracking Number: BEAZ-125541529 State: Arkansas  
Filing Company: Beazley Insurance Company, Inc. State Tracking Number: EFT \$100  
Company Tracking Number: BICI0042-AR(R)  
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0019 Professional Errors & Omissions Liability  
Product Name: Lawyers Professional Liability Insurance Program  
Project Name/Number: /BICI0042-AR(R)

See cover letter for filing information.

## Company and Contact

### Filing Contact Information

Renata Wright, Sr. Compliance Analyst renata.wright@beazley.com  
30 Batterson Park Road (860) 677-3737 [Phone]  
Farmington, CT 06032 (860) 679-0247[FAX]

### Filing Company Information

Beazley Insurance Company, Inc. CoCode: 37540 State of Domicile: Connecticut  
30 Batterson Park Road Group Code: Company Type: Property and Casualty  
Farmington, CT 06032 Group Name: N/A State ID Number:  
(860) 677-3700 ext. [Phone] FEIN Number: 04-2656602  
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## Filing Fees

Fee Required? Yes  
Fee Amount: \$100.00  
Retaliatory? No  
Fee Explanation:  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Beazley Insurance Company, Inc.	\$100.00	04/21/2008	19748005

*SERFF Tracking Number:*      *BEAZ-125541529*      *State:*      *Arkansas*  
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*Product Name:*      *Lawyers Professional Liability Insurance Program*  
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## Correspondence Summary

### Dispositions

<b>Status</b>	<b>Created By</b>	<b>Created On</b>	<b>Date Submitted</b>
Filed	Edith Roberts	05/21/2008	05/21/2008

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## **Disposition**

Disposition Date: 05/21/2008

Effective Date (New):

Effective Date (Renewal):

Status: Filed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: BEAZ-125541529 State: Arkansas

Filing Company: Beazley Insurance Company, Inc. State Tracking Number: EFT \$100

Company Tracking Number: BICI0042-AR(R)

TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0019 Professional Errors & Omissions Liability

Product Name: Lawyers Professional Liability Insurance Program

Project Name/Number: /BICI0042-AR(R)

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Filed	Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Supporting Document	cover letter	Filed	Yes
Supporting Document	actuarial memorandum	Filed	Yes
Rate	Lawyers Professional Liability	Filed	Yes
	Countrywide Rating Plan		
Rate	AR State Exception Page	Filed	Yes

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## Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: BEAZ-125541529 State: Arkansas  
 Filing Company: Beazley Insurance Company, Inc. State Tracking Number: EFT \$100  
 Company Tracking Number: BICI0042-AR(R)  
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0019 Professional Errors & Omissions Liability  
 Product Name: Lawyers Professional Liability Insurance Program  
 Project Name/Number: /BICI0042-AR(R)

## Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	Lawyers Professional Liability Countrywide Rating Plan	BICI-LPL-RP-CWR-1-11	New	BICI-LPL-RP-CWR 1-11 Feb 2008.pdf
Filed	AR State Exception Page	BICI-LPL-RP-AR-1-2	New	AR SEP.pdf

**LAWYERS PROFESSIONAL LIABILITY  
COUNTRYWIDE RATING PLAN**

**BEAZLEY**

**PART I – RATING RULES**

- A. Eligibility** - This program is available to firms with 35 or more lawyers.
- B. Rates and Rating** - All rates in this manual are annual rates, unless otherwise noted. All factors are multiplicative unless otherwise noted.
- C. Additional Premiums**
1. Apply the rates and rules in effect on the effective date of the policy or, if the change is made after an anniversary date of the policy, apply the rates and rules in effect on that anniversary date.
  2. Pro-rate additional premium charges.
  3. Additional premium charges are in addition to any policy minimum premium already charged.
  4. Waive additional premiums of \$25 or less. The amount waived applies to that portion of the premium due on the effective date of the policy change.
- D. Return Premiums**
1. Compute return premium Pro Rata of the charged premium and round to the next higher whole dollar when a Cancellation or Insuring Agreement Deletion is:
    - a. At the Company's request; or
    - b. Because coverage is to be written in the same Company or a member of a Company group; or
    - c. After the first year of a prepaid policy written for a term of more than one year.
  2. Other than Pro Rata Calculation

If pro rata calculation does not apply, compute return premium as follows:

    - a. Prepaid Policies

Compute the return premium at 0.90 of the pro rata unearned premium and round to the next higher whole dollar.
    - b. Installment Payments

Compute the return premium at 0.90 of the pro rata unearned premium for the year in which the policy is canceled and round to the next higher whole dollar.
    - c. Other than Policy Cancellation or Deletion of an Insuring Agreement

Compute return premium pro rata of the charged premium and round to the next higher whole dollar.
    - d. Waiver of Premium (not applicable in KS, NH, WA)

Waive return premium of \$25 (\$15 in IA) or less, however, the premium will be returned if requested in writing by the Insured.



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**E. Multi-Year Term Policies**

The following factors are applied to annual premium for policies with terms running longer than 12 months.

<b>Multi-year/Multiple Annual Aggregates</b>	<b>Factor (applied to annual premium)</b>
Annual Installments (if multiyear, non-prepaid)	1.05
Two Year Prepaid Premium	1.95
Three Year Prepaid Premium	2.86

<b>Multi-year/Single Aggregate Limit</b>	<b>Factor (applied to annual premium)</b>
Two Year Prepaid Premium	1.88
Three Year Prepaid Premium	2.75

**F. Optional Coverages**

**1. Extended Reporting Period (ERP)**

State laws and regulations regarding minimum reporting periods must be followed. Premium for the Extended Reporting Period is “a” rated and made known to the Insured at policy inception.

**G. Individual Risk Situations (Not available in CA, MN, SD, TX, and VA)**

**1. Refer to Company**

**a. Rating or classifying**

Refer to home office for rating or classifying any risk or exposure for which:

- i. The manual rate or applicable classification is clearly demonstrated to be inappropriate because of a unique or unusual feature of the risk:

Note: To the extent that consent-to-rate procedures apply, they must be followed.

- ii. The coverage to be written is broader than that contained in the standard policy.

Note: To the extent that consent-to-rate procedures apply, they must be followed.

- iii. There is proof that, for a specific coverage, the named risk is qualified in this state for placement of such insurance with an unauthorized insurer, and the insured agrees to the proposed rate or premium to be charged; or

- iv. The risk develops \$50,000 (\$100,000 in FL and MT; \$250,000 in AK) or more annual manual basic limit premium individually or in combination with other products.

**b. Restriction of Coverage**

Refer to home office if an insuring agreement providing the insurance contemplated by an applicable classification and rate is endorsed to restrict coverage for hazards not common to all risks within the class.

Note: To the extent that consent-to-rate procedures apply, they must be followed.

**2. File Maintenance**

When a particular risk is modified in accordance with paragraph 1., the Company will maintain a complete file, including all details of the factors used in determining the modification and make the file available to state regulators on request.

Note: Rates shall not be inadequate, excessive or unfairly discriminatory.

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COUNTRYWIDE RATING PLAN**

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**3. State Exceptions**

In NC, an individual risk filing to the North Carolina Department of Insurance is required.

In KS, an individual risk filing to the Kansas Insurance Department is required.

In HI, an individual risk filing to the Hawaii Insurance Division is required.

In AK, an individual risk filing to the Alaska Division of Insurance is required.

In MS, an individual risk filing to the Mississippi Insurance Department is required.

In SC, an individual risk filing to the South Carolina Dept. of Insurance is required.

In NM, an individual risk filing to the New Mexico Department of Insurance is required.

In NY, an individual risk filing to the New York Insurance Department is required.

In GA, an individual risk filing to the Georgia Office of Insurance and Safety Fire Commissioner is required.

In IN, an individual risk filing to the Indiana Department of Insurance is required.

In WV, an individual risk filing to the West Virginia Insurance Commission is required.

**H. Minimum Premium**

The minimum annual premium is \$5,000 for policies with limits below \$1,000,000.

The minimum annual premium is \$7,500 for policies with limits of \$1,000,000 or above.

**I. Rounding Rule**

Based on the final calculated premium, the premium may be additionally adjusted upward or downward within the following ranges.

<b>Rated Premium</b>	<b>Maximum Round Up</b>	<b>Maximum Round Down</b>
Less than \$10,000	+ \$100	- \$100
\$10,001 to \$25,000	+ \$250	- \$250
\$25,001 to \$50,000	+ \$500	- \$500
More than \$50,000	+ \$1,000	- \$1,000

**LAWYERS PROFESSIONAL LIABILITY  
COUNTRYWIDE RATING PLAN**

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**PART II – RATES AND RATING FACTORS**

**Section I: Base Rates, Increased Limit Factors, Retention Factors**

The base exposure is the firm's revenues. Refer to Company for firms with over 200 attorneys.  
The base premium is calculated as the product of the base rate x revenues in 1,000's.

**1. Base Rate**

The base rate is \$3.5 per \$1,000 of revenue. This base rate is for \$1 million limit.

**2. Limit and Retention Factor**

- a. The applicable Loss Factor and Retention Factor vary depending on the firm size according to the definitions below.

Definition	Firm Size
Low	Attorney headcount between 35 and 70
Medium	Attorney headcount between 71 and 110
High	Attorney headcount equal to or above 111

- b. Calculate Lookup Value for Loss Factor:  
Lookup Value = Per Claim Limit + Retention

- c. Lookup Loss Factor from below table

Lookup Value	Firm Size		
	Low	Medium	High
\$1,000,000	1.000	1.000	1.000
\$2,000,000	1.469	1.512	1.540
\$3,000,000	1.799	1.883	1.938
\$4,000,000	2.057	2.178	2.258
\$5,000,000	2.271	2.425	2.529
\$10,000,000	3.001	3.288	3.486
\$15,000,000	3.469	3.852	4.122
\$20,000,000	3.815	4.275	4.603
\$25,000,000	4.089	4.614	4.990

- d. Interpolation should be used for lookup values not shown.
- e. Refer to Company for policy limits above \$20m and a retention above \$5m.

**LAWYERS PROFESSIONAL LIABILITY  
COUNTRYWIDE RATING PLAN**

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- f. Lookup Retention Factor from the below table

Retention	Firm Size		
	Low	Medium	High
\$25,000	1.086	1.204	1.330
\$50,000	1.035	1.158	1.286
\$100,000	0.948	1.076	1.207
\$250,000	0.745	0.878	1.013
\$500,000	0.497	0.627	0.760
\$750,000	0.305	0.426	0.554
\$1,000,000	0.146	0.257	0.379

- g. Interpolation should be used for retentions not shown.
- h. Calculate Limit and Retention Factor as:  
Limit and Retention Factor = Loss Factor + Retention Factor – 1

**3. Split Limit Factor**

- a. The applicable Split Limit Factor varies depending on the firm size according to the definitions below.

Definition	Firm Size
Low	Attorney headcount between 35 and 70
Medium	Attorney headcount between 71 and 110
High	Attorney headcount equal to or above 111

- b. Lookup Split Limit Factor from the table below

Per Claim Limit	Firm Size								
	Low			Medium			High		
	Policy Limit								
	1x	2x	3x	1x	2x	3x	1x	2x	3x
\$1,000,000	1.000	1.300	1.396	1.000	1.350	1.460	1.000	1.394	1.537
\$2,000,000	1.000	1.260	1.311	1.000	1.300	1.380	1.000	1.339	1.446
\$3,000,000	1.000	1.230	1.253	1.000	1.270	1.320	1.000	1.306	1.394
\$4,000,000	1.000	1.213	1.228	1.000	1.240	1.280	1.000	1.285	1.346
\$5,000,000	1.000	1.187	1.199	1.000	1.219	1.249	1.000	1.263	1.305
\$10,000,000	1.000	1.104		1.000	1.129		1.000	1.160	
\$15,000,000	1.000			1.000			1.000		
\$20,000,000	1.000			1.000			1.000		

- c. Interpolation should be used for Policy Limits not shown between 1x and 3x.
- d. Refer to Company for policy limits above \$20m or for 2x or 3x factors left blank above.

# LAWYERS PROFESSIONAL LIABILITY COUNTRYWIDE RATING PLAN

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## Section II: Rating Modifications

The factors in the following charts should be applied multiplicatively to the premium developed in Section I.

1. **Geographic Modifier:** This factor reflects the geographic distribution of a firm's practice. Concentration of operations in urban/non-urban areas, litigiousness of locations, and geographic mix should be reviewed in determining the appropriate factor.

For firms with multiple locations, determine the number of attorneys and appropriate factor for each category. The overall modifier shall be calculated as the weighted average of each category factor, using number of attorneys as weights.

Geographic Distribution	Factor
Category 1: Minimal Exposure	0.55-0.65
Category 2: Low Exposure	0.66-0.75
Category 3: Moderate Exposure	0.76-0.85
Category 4: Moderate to High Exposure	0.86-0.95
Category 5: High Exposure	0.96-1.05
Category 6: Very High Exposure	1.06-1.15

2. **Area of Practice Modifier:** This factor reflects the nature of a firm's area of practice. Specialization of practice areas undertaken by the law firm and associated levels should be reviewed in determining the appropriate factor.

For firms with multiple practice areas, determine the gross billings % and appropriate factor for each category. The overall modifier shall be calculated as the weighted average of each category factor, using gross billings % as weight.

Area of Practice Distribution	Factor
Category 1: Low Exposure	0.75 - 0.85
Category 2: Low to Moderate Exposure	0.86 - 0.95
Category 3: Moderate Exposure	0.96 - 1.05
Category 4: Moderate to High Exposure	1.06 - 1.25
Category 5: High Exposure	1.26 - 1.75

3. **Size of Firm Modifier:**

Number of Attorneys	Factor
35-70	0.926 - 1.000
71-110	0.876 - 0.925
111- and above	0.801 - 0.875

4. **Prior Acts Coverage:** The factor below is applied based on the number of years of prior acts coverage granted.

# Years of Prior Acts Coverage	Factor
0	0.60
1	0.75
2	0.85
3	0.90
4+	1.00

**LAWYERS PROFESSIONAL LIABILITY  
COUNTRYWIDE RATING PLAN**

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5. **Firm Management Structure:** This factor reflects the characteristics of the firm's management structure. Peer review system, compensation system, committee/partnership meetings and election process should be reviewed in determining the appropriate factor.

	<b>Factor</b>
Above Average	0.85 - 0.95
Average	0.96 - 1.05
Below Average	1.06 - 1.15
Poor	1.16 - 1.25

6. **Investing in Clients:**

	<b>Factor</b>
Firm does not accept equity stake in lieu of fees	1.00
Firm invests or allows partners to invest in clients	1.01 - 1.25
Firm accepts equity stake in lieu of fees	1.26 - 2.00

7. **Outside Interests Exposure:** Outside interests consist of officer, directorships and trusteeships of outside entities.

	<b>Factor</b>
Outside interests limited to non-profit organizations or organizations that are not clients of the firm	1.00 - 1.15
Outside interests with clients of the firm	1.16 - 1.25

8. **Legal Practice Procedures/Risk Management:** This factor reflects the risk management of the firm. Risk management manual and policies should be reviewed in determining the appropriate factor.

	<b>Factor</b>
Above Average	0.90 - 0.95
Average	0.96 - 1.05
Below Average	1.06 - 1.15
Poor	1.16 - 1.25

**LAWYERS PROFESSIONAL LIABILITY  
COUNTRYWIDE RATING PLAN**

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**9. Filing of Suits for Collection of Fees:**

	<b>Factor</b>
Suits for fees prohibited	0.90 - 0.95
Suits for fees are permitted only with the approval of the Management Committee, the Managing Partner, or a standing committee of the firm charged with oversight of such matters	0.96 - 1.05
Suits for fees are permitted only after a complete review of the underlying work product determining counterclaim potential or after the relevant statutes of limitation have expired	1.06 - 1.25
Suits for fees may be brought by any attorney or partner of the firm OR the firm has no policies with respect to the filing of suits for collection of fees	1.26 - 1.50

10. **Client Intake and Conflicts Avoidance Procedures:** This factor reflects conflicts avoidance procedures of the firm. Conflicts system, client screening and approval procedures should be reviewed in determining the appropriate factor.

	<b>Factor</b>
Above Average	0.90 - 0.95
Average	0.96 - 1.05
Below Average	1.06 - 1.15
Poor	1.16 - 1.25

11. **Engagement Letters:** This factor reflects client engagement procedures of the firm. Use and quality of engagement, disengagement and retainer letters and approval procedures should be reviewed in determining the appropriate factor.

	<b>Factor</b>
Above Average	0.90 - 0.95
Average	0.96 - 1.05
Below Average	1.06 - 1.15
Poor	1.16 - 1.25

12. **Docket Control Procedures:** This factor reflects docket control procedures of the firm. Characteristics of the docket control system, backup system and maintenance procedures should be reviewed in determining the appropriate factor.

	<b>Factor</b>
Above Average	0.90 - 0.95
Average	0.96 - 1.05
Below Average	1.06 - 1.15
Poor	1.16 - 1.25

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13. **Firm Demographics:** This factor reflects the demographics of the firm. Growth/decline in revenues and/or attorneys and merger and acquisition activity in recent years, use of lateral hires and partner-to-staff ratio should be reviewed in determining the appropriate factor.

	<b>Factor</b>
Above Average	0.90 - 0.95
Average	0.96 - 1.05
Below Average	1.06 - 1.25

14. **Litigation History:** Relates to any type of litigation that has been brought against the insured. A rate modification factor is determined based on the frequency, severity, and type of claims as follows:

<b>Prior Claim/Litigation Activity</b>	<b>Factor</b>
None	0.90-1.00
Minimal	1.01-1.25
Material	1.26-1.50
Significant	1.51-1.75

15. **Attorney Workload:**

<b>Attorney Workload</b>	<b>Factor</b>
Below Average	0.75-0.89
Average	0.90-1.09
Above Average	1.10-1.25

16. **Schedule Rating:** Other risk modifications may be applied to the rates subject, however, to a maximum credit or debit as set forth in the State Modification Limits table below. Basic limits premium eligibility is \$500 for each state, with the following exceptions: \$2,500 in NY, \$1,000 in FL (before and after schedule rating), and \$6,000 (after schedule rating) in LA. These modifications take into consideration unusual risk characteristics according to the following schedule:

<b>Schedule Rating</b>	<b>Range</b>
1. <u>Firm Expertise:</u>	+/-25%
2. <u>Training/Supervision Programs:</u>	+/-25%
3. <u>Financial Condition:</u>	+/-25%
4. <u>Employee Turnover:</u>	+/-25%
5. <u>Risk Peculiarities:</u>	+/-25%



**LAWYERS PROFESSIONAL LIABILITY  
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**State Modification Limits:** The table below lists the maximum available Schedule Rating credit/debits for each state.

-15/+15	-25/+25			-40/+25	-40/+40		-50/+50	NA <sup>1</sup>
NY <sup>2</sup>	AL	IA	NV	SC	AK	MT	IL	HI
GA	AZ	ID	OH		AR	NH	IN	NE
	CA	LA <sup>2</sup>	OR		KS	OK	KY	
	CO	MA	PR		MD	PA	NC	
	CT	MI	SD		ME	RI	NM <sup>3</sup>	
	DC	MO	UT		MN	TX	TN	
	DE	ND	WA		MS	WV	VA	
	FL	NJ					VT	
							WI	
							WY	

<sup>1</sup> NA = Schedule Rating is not available

<sup>2</sup> Characteristics capped at +/-10%.

<sup>3</sup> Professional liability, contract surety, and D&O coverage not subject to -25/+25 limit, per NMAC 13.8.5.8.F

**LAWYERS PROFESSIONAL LIABILITY  
COUNTRYWIDE RATING PLAN**

The logo for Beazley, featuring the word "BEAZLEY" in a serif font with a small red underline under the letter "A".

**Section III: Optional Coverage Enhancements.** The premium impacts for optional coverage enhancements 1 through 6 below are each determined individually and then added to the premium developed in Section I and II.

**1. First dollar coverage:**

In jurisdictions that require first-dollar coverage, add a surcharge of **0-50%** to the premium developed in Sections I and II to determine the additional premium.

**2. Separate limit for defense costs:**

To provide a separate limit for defense costs, add a surcharge of **0-50%** to the premium developed in Sections I and II to determine the additional premium.

**3. Maintenance retention:**

To provide a maintenance retention, add a surcharge of **0-25%** to the premium developed in Sections I and II to determine the additional premium.

**4. Reinstatement of limits of liability:**

To provide automatic reinstatement of the limits of liability, add a surcharge of **0-50%** to the premium developed in Sections I and II to determine the additional premium.

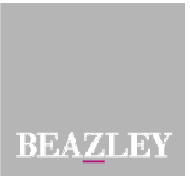
**5. Controlled enterprise coverage:**

To provide coverage for controlled enterprises, add a surcharge of **0-25%** to the premium developed in Sections I and II to determine the additional premium.

**6. Computer security coverage:**

To provide coverage for computer network security and privacy liability, add a surcharge of **0-25%** to the premium developed in Sections I and II to determine the additional premium.

**LAWYERS PROFESSIONAL LIABILITY  
STATE EXCEPTION PAGE – ARKANSAS**



I. Exceptions to the Lawyers Professional Liability Countrywide Rating Plan PART II – RATES AND RATING FACTORS; Section I: Base Rates, Increased Limit Factors, Retention Factors:

A. Section I, Item 2.c is deleted and replaced by the following:

c. Lookup Loss Factor from below table

If the insured accepts a separate limit of liability for Claims Expenses equal to 100% of the annual aggregate Limit of Liability for judgments or settlements, the following table applies:

Lookup Value	Firm Size		
	Low	Medium	High
\$1,000,000	1.000	1.000	1.000
\$2,000,000	1.469	1.512	1.540
\$3,000,000	1.799	1.883	1.938
\$4,000,000	2.057	2.178	2.258
\$5,000,000	2.271	2.425	2.529
\$10,000,000	3.001	3.288	3.486
\$15,000,000	3.469	3.852	4.122
\$20,000,000	3.815	4.275	4.603
\$25,000,000	4.089	4.614	4.990

If the insured does not accept a separate limit of liability for Claims Expenses equal to 100% of the annual aggregate Limit of Liability for judgments or settlements, the following table applies:

Lookup Value	Firm Size		
	Low	Medium	High
\$5,000,000	2.271	2.425	2.529
\$10,000,000	3.001	3.288	3.486
\$15,000,000	3.469	3.852	4.122
\$20,000,000	3.815	4.275	4.603
\$25,000,000	4.089	4.614	4.990

**LAWYERS PROFESSIONAL LIABILITY  
STATE EXCEPTION PAGE – ARKANSAS**



B. Section I, Item 3.b is deleted and replaced by the following:

b. Lookup Split Limit Factor from the table below

If the insured accepts a separate limit of liability for Claims Expenses equal to 100% of the annual aggregate Limit of Liability for judgments or settlements, the following table applies:

Per Claim Limit	Firm Size								
	Low			Medium			High		
	Policy Limit								
	1x	2x	3x	1x	2x	3x	1x	2x	3x
\$1,000,000	1.000	1.300	1.396	1.000	1.350	1.460	1.000	1.394	1.537
\$2,000,000	1.000	1.260	1.311	1.000	1.300	1.380	1.000	1.339	1.446
\$3,000,000	1.000	1.230	1.253	1.000	1.270	1.320	1.000	1.306	1.394
\$4,000,000	1.000	1.213	1.228	1.000	1.240	1.280	1.000	1.285	1.346
\$5,000,000	1.000	1.187	1.199	1.000	1.219	1.249	1.000	1.263	1.305
\$10,000,000	1.000	1.104		1.000	1.129		1.000	1.160	
\$15,000,000	1.000			1.000			1.000		
\$20,000,000	1.000			1.000			1.000		

If the insured does not accept a separate limit of liability for Claims Expenses equal to 100% of the annual aggregate Limit of Liability for judgments or settlements, the following table applies:

	Firm Size								
	Low			Medium			High		
Per Claim Limit	Policy Limit								
	1x	2x	3x	1x	2x	3x	1x	2x	3x
\$5,000,000	1.000	1.187	1.199	1.000	1.219	1.249	1.000	1.263	1.305
\$10,000,000	1.000	1.104		1.000	1.129		1.000	1.160	
\$15,000,000	1.000			1.000			1.000		
\$20,000,000	1.000			1.000			1.000		

SERFF Tracking Number: BEAZ-125541529 State: Arkansas  
Filing Company: Beazley Insurance Company, Inc. State Tracking Number: EFT \$100  
Company Tracking Number: BICI0042-AR(R)  
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0019 Professional Errors & Omissions Liability  
Product Name: Lawyers Professional Liability Insurance Program  
Project Name/Number: /BICI0042-AR(R)

## Supporting Document Schedules

<b>Satisfied -Name:</b>	Uniform Transmittal Document-Property & Casualty	<b>Review Status:</b>	Filed	05/21/2008
<b>Comments:</b>				
<b>Attachments:</b>				
	AR F777 Rates.pdf			
	AR F779.pdf			
<b>Bypassed -Name:</b>	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	<b>Review Status:</b>	Filed	05/21/2008
<b>Bypass Reason:</b>	not required.			
<b>Comments:</b>				
<b>Satisfied -Name:</b>	NAIC loss cost data entry document	<b>Review Status:</b>	Filed	05/21/2008
<b>Comments:</b>				
<b>Attachments:</b>				
	AR FORM RF-1 Rate Filing Abstract.pdf			
	Industry ROE_CW 2006.pdf			
<b>Satisfied -Name:</b>	cover letter	<b>Review Status:</b>	Filed	05/21/2008
<b>Comments:</b>				
<b>Attachment:</b>				
	AR Rate Letter.pdf			
<b>Satisfied -Name:</b>	actuarial memorandum	<b>Review Status:</b>	Filed	05/21/2008
<b>Comments:</b>				
<b>Attachment:</b>				

<i>SERFF Tracking Number:</i>	<i>BEAZ-125541529</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Beazley Insurance Company, Inc.</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>BICI0042-AR(R)</i>		
<i>TOI:</i>	<i>17.0 Other Liability - Claims Made/Occurrence</i>	<i>Sub-TOI:</i>	<i>17.0019 Professional Errors &amp; Omissions Liability</i>
<i>Product Name:</i>	<i>Lawyers Professional Liability Insurance Program</i>		
<i>Project Name/Number:</i>	<i>/BICI0042-AR(R)</i>		

**Actuarial Memo.pdf**



**Property & Casualty Transmittal Document (Revised 1/1/06)**

<b>1 . Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b>	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition:	
	d. Date of disposition of the filing:	
	e. Effective date of filing:	
	New Business	
	Renewal Business	
	f. State Filing #:	
g. SERFF Filing #: BEAZ-125541546		
h. Subject Codes		

<b>3. Group Name</b>	<b>Group NAIC #</b>
N/A	0000

<b>4. Company Name(s)</b>	<b>Domicile</b>	<b>NAIC #</b>	<b>FEIN #</b>
Beazley Insurance Company, Inc.	CT	37540	04-2656602

<b>5. Company Tracking Number</b>	<b>BICI0042-AR (R)</b>
-----------------------------------	------------------------

**Contact Info of Filer(s) or Corporate Officer(s)** [include toll-free number]

<b>6.</b>	<b>Name and address</b>	<b>Title</b>	<b>Telephone #s</b>	<b>FAX #</b>	<b>e-mail</b>
	Renata A. Wright 30 Batterson Park Road Farmington, CT 06032	Sr.Compliance Analyst	860-677-3737 866-623-2953	860-679-0247	Renata.wright@Beazley.com

<b>7.</b>	Signature of authorized filer	Renata A. Wright
<b>8.</b>	Please print name of authorized filer	Renata A. Wright

**Filing information** (see General Instructions for descriptions of these fields)

<b>9. Type of Insurance (TOI)</b>	17.0000 - Other Liability
<b>10. Sub-Type of Insurance (Sub-TOI)</b>	17.0019 – Professional Errors & Omissions Liability
<b>11. State Specific Product code(s) (if applicable)[See State Specific Requirements]</b>	N/A
<b>12. Company Program Title</b> (Marketing title)	Lawyers Professional Liability Insurance Program
<b>13. Filing Type</b>	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other
<b>14. Effective Date(s) Requested</b>	New: upon approval                      Renewal: upon approval
<b>15. Reference Filing?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>16. Reference Organization</b> (if applicable)	N/A
<b>17. Reference Organization # &amp; Title</b>	N/A
<b>18. Company's Date of Filing</b>	4/21/2008



<b>19. Status of filing in domicile</b>	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved
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## Property & Casualty Transmittal Document—

<b>20. This filing transmittal is part of Company Tracking #</b>	BICI0042-AR (R)
<b>21. Filing Description</b>	[This area should be similar to the body of a cover letter and is free-form text]

In accordance with the laws of your state, Beazley Insurance Company, Inc. is submitting this filing to introduce our new Lawyers Professional Liability Insurance Program.

Our Lawyers Professional Liability Insurance Policy is a claims made and reported product. The policy will provide errors and omissions insurance (E&O) to law firms which employ thirty-five or more lawyers.

A comprehensive Rating Plan (and AR State Exception Pages) for this product along with our Actuarial Rate/Rule Memorandum are enclosed. Please note that embedded in the Rating Plan under Section III. Optional Coverage Enhancements we have incorporated six rate bearing endorsements.

For your info, a corresponding Form filing was submitted to your department under our Filing No. BICI0042-AR (F).

The following documents summarize the items that are attached to this filing:

- Required State Forms (if applicable);
- Rating Plan BICI-LPL-RP-CWR-1-11 containing a February 2008 edition date;
- AR State Exception Pages BIC-LPL-RP-AR-1-2 containing a March 2008 edition date.

We propose to implement this filing for all policies upon your earliest review and approval.

<b>22. Filing Fees</b>	(Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
<p><b>Check #: EFT</b>  <b>Amount: \$100.00</b></p> <p><b>Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</b></p>	

**RATE/RULE FILING SCHEDULE**

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1.	<b>This filing transmittal is part of Company Tracking #</b>	<b>BICI0042-AR (R)</b>
----	--	------------------------

2.	<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	<b>BICI0042-AR (F)</b>
----	---	------------------------

☐ Rate Increase      ☐ Rate Decrease      ☒ Rate Neutral (0%)

3.	<b>Filing Method (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	<b>Prior Approval Effective 6/3/08</b>
----	--	--

4a.	<b>Rate Change by Company (As Proposed)</b>					
-----	---	--	--	--	--	--

Company Name	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)
Beazley	0%	0	0	0	0	0

4b.	<b>Rate Change by Company (As Accepted) For State Use Only</b>					
-----	--	--	--	--	--	--

Company Name	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

<b>Overall Rate Information (Complete for Multiple Company Filings only)</b>			
--	--	--	--

		COMPANY USE	STATE USE
5a.	Overall percentage rate impact for this filing		
5b.	Effect of Rate Filing – Written premium change for this program		
5c.	Effect of Rate Filing – Number of policyholders affected		

6.	Overall percentage of last rate revision	
----	--	--

7.	Effective Date of last rate revision	
----	--------------------------------------	--

8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	
----	---	--

9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01	BICI-LPL-RP-CWR-1-11	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02	BIC-LPL-RP-AR-1-2	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
04		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
05			

## NAIC LOSS COST DATA ENTRY DOCUMENT

<b>1.</b>	This filing transmittal is part of Company Tracking #	<b>BICI0042-AR (R)</b>		
<b>2.</b>	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	<b>Not applicable.</b>		
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">Company Name</td> <td style="width: 50%; text-align: center;">Company NAIC Number</td> </tr> </table>			Company Name	Company NAIC Number
Company Name	Company NAIC Number			
<b>3.</b>	<b>A.</b>	<b>B.</b>		
<b>Beazley Insurance Company, Inc.</b>		<b>37540</b>		
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">Product Coding Matrix Line of Business (i.e., Type of Insurance)</td> <td style="width: 50%; text-align: center;">Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)</td> </tr> </table>			Product Coding Matrix Line of Business (i.e., Type of Insurance)	Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
Product Coding Matrix Line of Business (i.e., Type of Insurance)	Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)			
<b>4.</b>	<b>A.</b>	<b>B.</b>		
<b>17.000</b>		<b>17.0019</b>		

**5.**

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
<b>Lawyers Professional Liability</b>	<b>N/A – new</b>	<b>N/A - new</b>					
TOTAL OVERALL EFFECT							

**6.**

5 Year History

Rate Change History

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
<b>N/A - new</b>							

**7.**

Expense Constants	Selected Provisions
A. Total Production Expense	<b>16.0</b>
B. General Expense	<b>8.9</b>
C. Taxes, License & Fees	<b>1.8</b>
D. Underwriting Profit & Contingencies	<b>1.5</b>
E. Other (explain)	<b>0</b>
F. TOTAL	<b>28.2</b>

**8.** \_\_\_\_\_ Apply Lost Cost Factors to Future filings? (Y or N) N/A

**9.** \_\_\_\_\_ Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): \_\_ N/A - new \_\_\_\_\_

**10.** \_\_\_\_\_ Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): \_\_ N/A - new \_\_\_\_\_

**Beazley Insurance Company, Inc.**  
Lawyers Professional Liability

Index of Exhibits

- Exhibit R1: Projected After-Tax Rate of Return
- Exhibit R2: Estimated Investment Earnings on Policyholder Supplied Funds
- Exhibit R3: Premium to Surplus Ratio
- Exhibit R4: Derivation of After-Tax Target Rate of Return of Statutory Surplus
- Exhibit R5: Projected Expense Ratios

**Beazley Insurance Company, Inc.**  
Lawyers Professional Liability

Projected After-Tax Rate of Return

Operating Return

(1) Earned Premium	100.0%
(2) Expected Loss & Loss Adjustment Expenses	71.8%
(3) Commission & Brokerage Fees (Exhibit R5)	16.0%
(4) General & Other Acquisition Expenses (Exhibit R5)	8.9%
(5) Taxes, Licenses & Fees (Exhibit R5)	1.8%
(6) Underwriting Profit Before Federal Income Tax (1) - (2) - (3) - (4) - (5)	1.5%
(7) Federal Income Tax on Underwriting Profit = (6) x 35%	0.5%
(8) Underwriting Profit After Federal Income Tax = (6) - (7)	1.0%
(9) After-Tax Inv. Income on Policyholder Supplied Funds (Exhibit R2.1)	7.3%
(10) After-Tax Return from Insurance Operations = (8) + (9)	8.3%

Total Rate of Return

(11) Premium to Surplus Ratio (Exhibit R3)	1.00:1
(12) After-Tax Investment Income on a Dollar of Surplus (Exhibit R2.3)	3.9%
(13) Total After-Tax Rate of Return on Statutory Surplus = (10)x(11)+(12)	12.2%

**Beazley Insurance Company, Inc.**  
Lawyers Professional Liability

Estimated Investment Earnings on Policyholder Supplied Funds  
(\$000)

(A) Unearned Premium Reserve		
(1)	Projected Earned Premium for New Program	1,000
(2)	Mean Unearned Premium Reserve	500
(3)	Percentage Pre-Paid Expense	22.2%
(a)	Commission and Brokerage Fees (Exhibit R5)	16.0%
(b)	50% General & Other Acq. Expenses (Exhibit R5)	4.4%
(c)	Taxes, Licenses & Fees (Exhibit R5)	1.8%
(4)	Deduction for Federal Income Taxes Payable	7.0%
(5)	Total Prepaid Expense = (A.2) x [(A.3) + (A.4)]	146
(6)	Portion Subject to Investment Income = (A.2) - (A.5)	354
(B) Delayed Remission of Premiums		
(1)	Average Agents' Balance as % of Premium	18.3%
(2)	Total Delayed Remission = (A.1) x (B.1)	183
(C) Loss & LAE Reserve		
(1)	Expected Loss & LAE Ratio (Exhibit R1)	71.8%
(2)	Expected Loss & LAE = (A.1) x (C.1)	718
(3)	Reserve to Incurred Ratio	236.4%
(4)	Expected Loss & LAE Reserves = (C.2) x (C.3)	1,698
(D)	Policyholder Funds Subject to Investment Income = (A.6)-(B.2)+(C.4)	1,869
(E)	2006 After Tax Rate of Return	3.9%
(F)	Investment Earnings on Policyholder Supplied Funds = (D) x (E)	73
(G)	After-Tax Investment Income on Policyholder Supplied Funds = (F)/(A.1)	7.3%

**Beazley Insurance Company, Inc.**  
Lawyers Professional Liability

Source Notes for Exhibit R2.1  
(\$000)

Line

(A.1)	Projected Earned Premium for New Program	1,000
(A.2)	Mean Unearned Premium Reserve 50% of (A.1)	500
(A.4)	The Tax Reform Act of 1986 taxes 20% of the unearned premium reserve. At a corporate rate of 35%, this tax equals 7% (=20% x 35%).	
(B.1)	Selected Agents' Balances	18.3%
	Industry - Calendar Year 2006 Other Liability Agents' Balances	19.2%
	Industry - Calendar Year 2005 Other Liability Agents' Balances	17.3%
	2005, 2006 IEEs, Part III, Line(s) 17, Column 22	
(C.3)	(1) CY 2006 Industry - Countrywide Other Liability Unpaid Loss & LAE 2006 IEE, Part III, Line(s) 17, Columns 13, 15, 17	150,277,010
	(2) CY 2005 Industry - Countrywide Other Liability Unpaid Loss & LAE 2005 IEE, Part III, Line(s) 17, Columns 13, 15, 17	144,069,138
	(3) Average Unpaid Loss & LAE = [(1)+(2)]/2	147,173,074
	(4) CY 2006 Industry - Countrywide Other Liability Incurred Loss & LAE 2006 IEE, Part III, Line(s) 17, Columns 7, 9, 11	37,347,068
	(5) Reserve to Incurred Ratio = (3) / (4)	394.1%
	(6) Adjustment for Claims Made Coverage	60.0%
	(7) Selected Reserve to Incurred Ratio	236.4%

**Notes:**

Figures are from Industry 2006 Insurance Expense Exhibit.

**Beazley Insurance Company, Inc.**  
Lawyers Professional Liability

Source Notes for Exhibit R2.1 (Continued)  
(\$000)

Line E

Investment Category	2006 Investment Income Earned	Tax Rate	After-Tax Portion	2006 After-Tax Investment Income
Taxable Bonds	26,097,555	35.00%	65.00%	16,963,411
Non-Taxable Bonds	14,000,778	5.25%	94.75%	13,265,737
Preferred Stocks	835,710	35.00%	65.00%	543,212
Common Stocks	3,799,079	35.00%	65.00%	2,469,401
Common Stocks in Affiliates	2,965,298	14.18%	85.83%	2,544,967
Cash	4,782,149	35.00%	65.00%	3,108,397
All Other Investments	7,252,544	35.00%	65.00%	4,714,154
Total	59,733,113			43,609,278
Total Investment Expense	4,621,729	35.00%	65.00%	3,004,124
Net Investment Income Earned	55,111,384			40,605,154
Invested Assets as of 12/31/2005 2006 Annual Statement, Page 2, Line 10, Column 4				1,169,254,274
Invested Assets as of 12/31/2006 2006 Annual Statement, Page 2, Line 10, Column 3				1,272,530,529
Average Invested Assets				1,220,892,402

Calendar Year	Beginning Invested Assets	Ending Invested Assets	Average Invested Assets	Net Realized Capital Gains	Net Realized Capital Gains Ratio
2004	1,023,959,180	1,122,211,843	1,073,085,512	10,165,527	0.9%
2005	1,087,458,107	1,175,942,740	1,131,700,424	15,132,547	1.3%
2006	1,169,254,274	1,272,530,529	1,220,892,402	6,982,728	0.6%
Total	3,280,671,561	3,570,685,112	3,425,678,337	32,280,802	0.9%
Tax Rate on Realized Capital Gains					35.0%
After-Tax Realized Capital Gains					0.6%
After-Tax Rate of Return					3.3%
After-Tax Total Rate of Return					3.9%

**Notes:**

Figures are from Industry 2006 Annual Statement.



**Beazley Insurance Company, Inc.**  
Lawyers Professional Liability

Premium to Surplus Ratio  
(\$000)

	Calendar Year 2005	Calendar Year 2006
(1) Beginning Surplus As Regards Policyholders Annual Statement, Page 3, Line 35, Column 2	426,927,892	445,141,577
(2) Ending Surplus As Regards Policyholders Annual Statement, Page 3, Line 35, Column 1	445,141,577	508,252,351
(3) Average Surplus Level = [(1)+(2)]/2	436,034,735	476,696,964
(4) Net Written Premiums IEE, Part II, Line 34, Column 1	438,257,354	455,531,318
(5) Net Premium to Surplus Ratio = (4) / (3)	1.01	0.96
(6) Selected Premium to Surplus Ratio		1.00

**Notes:**

Premium and Surplus figures from Industry 2006 and 2005 Annual Statements.

**Beazley Insurance Company, Inc.**  
**Lawyers Professional Liability**

Derivation of After-Tax Target Rate of Return of Statutory Surplus  
(\$000)

After Tax Rate of Return on Net Worth

	(1)	(2)	(3) = [(1)+(2)]/2
Year	Property/ Casualty	Industry Total	Average
1997	11.4%	13.9%	12.7%
1998	9.2%	13.4%	11.3%
1999	6.5%	15.2%	10.9%
2000	6.6%	14.6%	10.6%
2001	0.3%	10.4%	5.4%
2002	1.7%	10.2%	6.0%
2003	8.2%	12.6%	10.4%
2004	8.0%	13.9%	11.0%
2005	8.3%	14.9%	11.6%
2006	12.2%	15.4%	13.8%
1997-2006	7.2%	13.5%	10.3%
Avg x-2001/2	8.8%	14.2%	11.5%

(4)	Selected After-Tax Return on GAAP Equity	11.5%
(5)	2006 Statutory Surplus	508,252,351
(6)	2006 Net Unearned Premium Reserve	202,373,675
(7)	GAAP Equity in Unearned Premium Reserve	35,038,340
(8)	2006 GAAP Equity = (5) + (7)	543,290,691
(9)	GAAP to Statutory Adjustment Factor = (8) / (5)	1.07
(10)	Target After-Tax Return on Stat. Surplus = (4) x (9)	12.3%

**Notes:**

- (1), (2) from 2006 NAIC Profitability Analysis.  
(4) excludes 2001 and 2002 because September 11th cause them to be an outliers.  
(5) from Industry 2006 Annual Statement, Page 3, Line 35, Column 1.  
(6) from Industry 2006 Insurance Expense Exhibit, Line 34, Column 19.  
(7) = (6) x Industry Average Commissions and Other Acquisition Costs.

**Beazley Insurance Company, Inc.**  
Lawyers Professional Liability

Projected Expense Ratios

							3 Year	Selected
	2004		2005		2006		Average	
Direct Basis	(\$000)	%	(\$000)	%	(\$000)	%	%	%
Premiums Written	41,716,068		54,069,772		55,674,982			
Premiums Earned	40,573,810		52,955,120		53,866,263			
Commission	5,857,294	14.0%	6,799,240	12.6%	6,981,750	12.5%	13.1%	16.0%
Other Acquisition	1,708,270	4.2%	2,326,889	4.4%	2,489,533	4.6%	4.4%	4.4%
General Expenses	1,936,472	4.8%	2,298,706	4.3%	2,317,355	4.3%	4.5%	4.5%
Taxes, Licenses, Fees	747,224	1.8%	946,520	1.8%	1,010,545	1.8%	1.8%	1.8%
Total Expenses		24.8%		23.1%		23.3%	23.7%	26.7%
Profit Load								1.5%
Total Expenses & Profit								28.2%
Permissible Loss & LAE Ratio								71.8%
ULAE	1,671,831	4.1%	3,290,133	6.2%	2,145,314	4.0%	4.8%	4.8%
ALAE	7,068,707	17.4%	8,513,448	16.1%	7,642,198	14.2%	15.9%	15.9%
Total LAE		21.5%		22.3%		18.2%	20.7%	20.7%
Permissible Loss & ALAE Ratio								67.1%
Permissible Loss Ratio								51.2%

**Notes:**

Expense figures are from Industry 2004, 2005 and 2006 Insurance Expense Exhibits, Line 17 - Other Liability.

Commissions and Taxes shown as a percent of written premium.

Other Acquisition & General Expense shown as a percent of earned premium.

Support for the selected profit provision is included in Exhibit R1.

April 21, 2008

Honorable Julie Benafield Bowman, Commissioner  
Arkansas Insurance Department  
1200 W 3<sup>rd</sup> Street  
Little Rock, AR 72201-1904

RE: Beazley Insurance Company, Inc.  
NAIC: Group Code: 0000  
Company Code: 37540  
FEIN: 04-2656602  
Lawyers Professional Liability Insurance Program  
Our Filing No.: BICI0042-AR (R)  
Type of Filing: Rate

Dear Commissioner Bowman:

In accordance with the laws of your state, Beazley Insurance Company, Inc. is submitting this filing to introduce our new Lawyers Professional Liability Insurance Program.

Our Lawyers Professional Liability Insurance Policy is a claims made and reported product. The policy will provide errors and omissions insurance (E&O) to law firms which employ thirty-five or more lawyers.

A comprehensive Rating Plan and AR State Exception Pages for this product along with our Actuarial Rate/Rule Memorandum are enclosed. Please note that embedded in the Rating Plan under Section III. Optional Coverage Enhancements we have incorporated six rate bearing endorsements.

For your info, a corresponding Form filing was submitted to your department under our Filing No. BICI0042-AR (F).

The following documents summarize the items that are attached to this filing:

- Required State Forms (if applicable);
- Rating Plan BICI-LPL-RP-CWR-1-11 containing a February 2008 edition date;
- AR State Exception Pages BIC-LPL-RP-AR-1-2 containing a March 2008 edition date.

We propose to implement this filing for all policies upon your earliest review and approval. Kindly contact me with any comments/questions or with documentation of the Department's approval of this filing.

Sincerely,

Renata A. Wright  
Senior Compliance Analyst  
Tel: 866-623-2953 or 860-677-3737  
Fax: 860-679-0247  
E-Mail: renata.wright@beazley.com  
Enclosure

**Beazley Insurance  
Company, Inc.**

30 Batterson Park Road  
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USA

Phone (860) 677 3700  
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beazley

**Beazley Insurance Company, Inc.**

Lawyers Professional Liability  
New Program  
Actuarial Rate/Rules Memorandum

With this filing Beazley Insurance Company, Inc. ("Beazley") proposes rates and rules for a new program, Lawyers Professional Liability ("LPL"). Beazley's LPL program will be written only for accounts with 35 or more attorneys.

Since this is a new program for Beazley, the proposed base rates and rating plan were based on Beazley's surplus lines experience for large accounts along with underwriting judgment. Where Beazley's historical surplus lines experience was not sufficient to derive specific rating factors, Beazley obtained rating factors from Chubb's countrywide Pro Lawyers program.